

Introduction

The food and beverage industry is all companies involved in processing raw food materials, packaging, and distributing them. This includes fresh prepared foods as well as packaged foods, and alcoholic and nonalcoholic beverages. Any product meant for human consumption, aside from pharmaceuticals, passes through this industry.



Industry Leaders and Fragmentation

All amounts are given in Billions USD

Company	Country	Sales	Profits	Market Value
Ajinomoto	Japan	\$12.23	(\$0.11)	\$7.10
Almarai	Saudi Arabia	\$1.66	\$0.20	\$5.47
Archeus-Busch H&Bv	Belgium	\$36.76	\$4.61	\$81.48
Asahi Breweries	Japan	\$10.89	\$0.51	\$6.19
Associated Banc-Corp	United States	\$1.33	(\$0.13)	\$2.25

Industry Composition



Profitability and Demand Drivers

Primary Demand Drivers

- Demographics (with particular trends in population and age, household size, and disposable income)
- Consumer tastes

Profitability Drivers

- Good product mix
- Efficient operations
- Superior service
- Effective marketing